

28th ANNUAL REPORT 2014-15

TINNA RUBBER AND INFRASTRUCTURE LIMITED

TINNA RUBBER AND INFRASTRUCTURE LIMITED

(HIGHLIGHTS OF THE YEAR)

DIVIDEND

IN VIEW OF OUTSTANDING PERFORMANCE OF THE COMPANY, BOARD OF DIRECTORS RECOMMENDED DIVIDEND OF 20% FOR THE FINANCIAL YEAR 2014-15 SUBJECT TO APPROVAL OF MEMBERS AT THE ENSUING ANNUAL GENERAL MEETING OF THE COMPANY.

SHARE PRICE

THE COMPANY'S EQUITY SHARE OF RS. 10/- EACH TOUCHED ITS LIFETIME HIGH MARKET PRICE OF RS. 135/- DURING THE FINANCIAL YEAR 2014-15.

PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS

IN SPITE OF RECORD LOW PRICES OF NATURAL RUBBER, THE COMPANY HAS ACHIEVED RECORD PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS OF RS. 972.38 LACS AS COMPARED TO RS. 418.08 LACS IN THE PREVIOUS FINANCIAL YEAR SHOWING A REMARKABLE GROWTH OF 132.54 %.

RECLAIM RUBBER/ULTRA FINE CRUMB RUBBER

AS A PART OF FORWARD INTEGRATION THE COMPANY HAS STARTED COMMERCIAL PRODUCTION DURING FINANCIAL YEAR 2015-16 IN ITS STATE OF THE ART 3RD GENERATION PLANT TO MAKE ULTRAFINE CRUMB RUBBER COMPOUND (RECLAIM RUBBER) FROM CRUMB RUBBER WHICH WILL ENABLE THE COMPANY TO ACHIEVE FURTHER VALUE ADDITION.

HI CARBON STEEL SHOTS

THE COMPANY STARTED COMMERCIAL PRODUCTION OF HI CARBON STEEL SHOTS DURING FINANCIAL YEAR 2014-15. THIS WILL RESULT IN FURTHER VALUE ADDITION.

LANDMARK OF PROCESSING

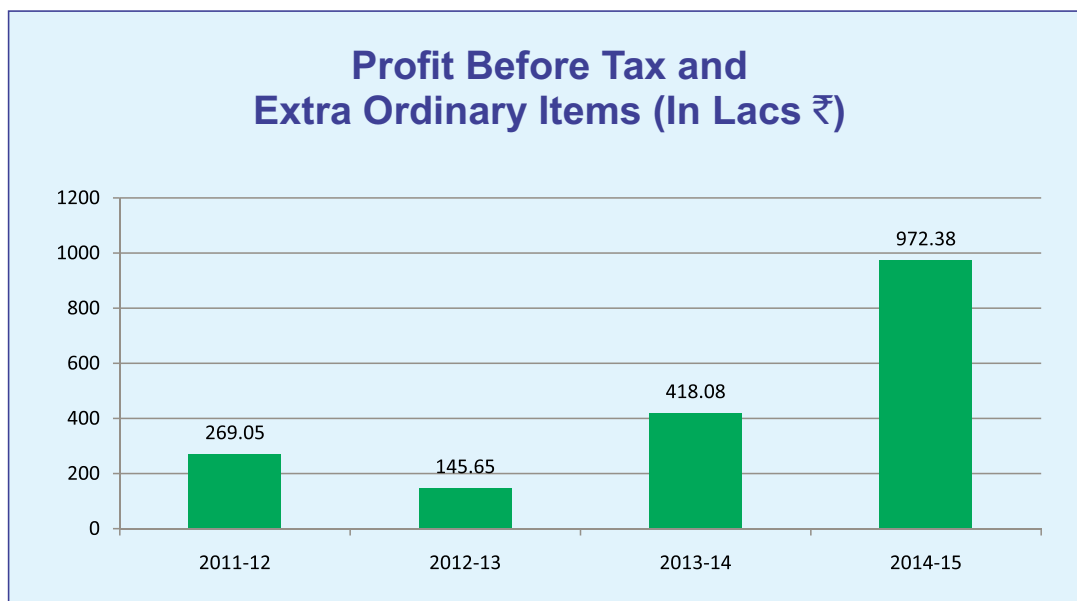
COMPANY ACHIEVED LANDMARK OF PROCESSING OVER 30,000 TONS OF "END OF LIFE" TYRES DURING THE FINANCIAL YEAR 2014-15. THEREBY TURNING WASTE IN WEALTH AND HELPING THE ENVIRONMENT AT THE SAME TIME.

TINNA RUBBER AND INFRASTRUCTURE LIMITED

FINANCIAL MILESTONES OF THE YEAR

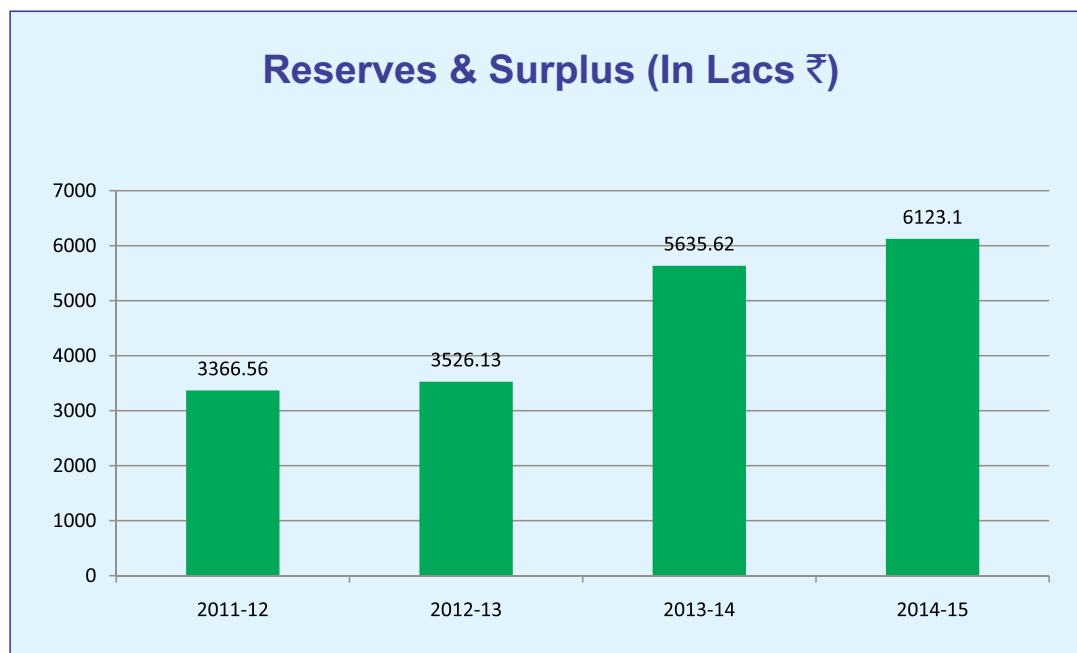
I. GROWTH IN PROFITS :

YEAR	PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS (IN LACS ₹)
2011-12	269.05 lacs
2012-13	145.65 lacs
2013-14	418.08 lacs
2014-15	972.38 lacs



II. GROWTH IN RESERVES :

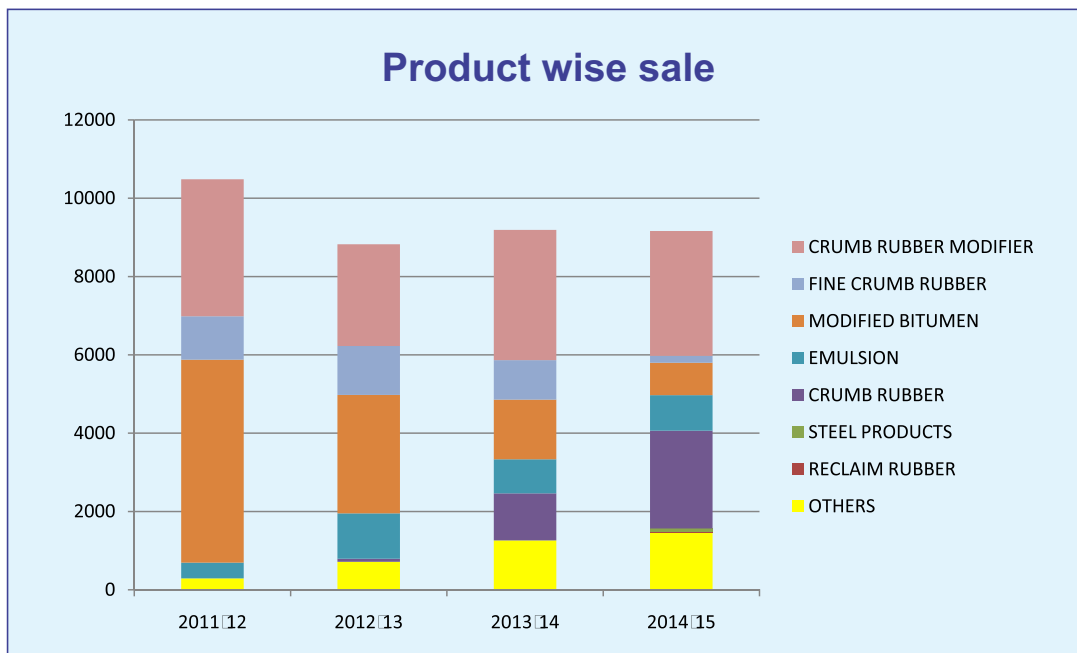
YEAR	RESERVES (IN LACS ₹)
2011-12	3366.56 lacs
2012-13	3526.13 lacs
2013-14	5635.62 lacs
2014-15	6123.10 lacs



III. BUILDING NEW REVENUE STREAMS:

(IN LACS ₹)

PRODUCTS	2011-12	2012-13	2013-14	2014-15
CRUMB RUBBER MODIFIER	3501.23	2600.50	3328.19	3188.14
FINE CRUMB RUBBER	1108.29	1249.46	1006.48	176.09
MODIFIED BITUMEN	5182.98	3022.62	1523.74	828.45
EMULSION	402.66	1159.24	870.33	907.87
CRUMB RUBBER	0	77.20	1202.64	2498.37
STEEL PRODUCTS	0	0	0	98.75
RECLAIM RUBBER	0	0	0	7.31
OTHERS	290.47	716.63	1261.22	1458.64



IV. TEAM TINNA :

AS ON

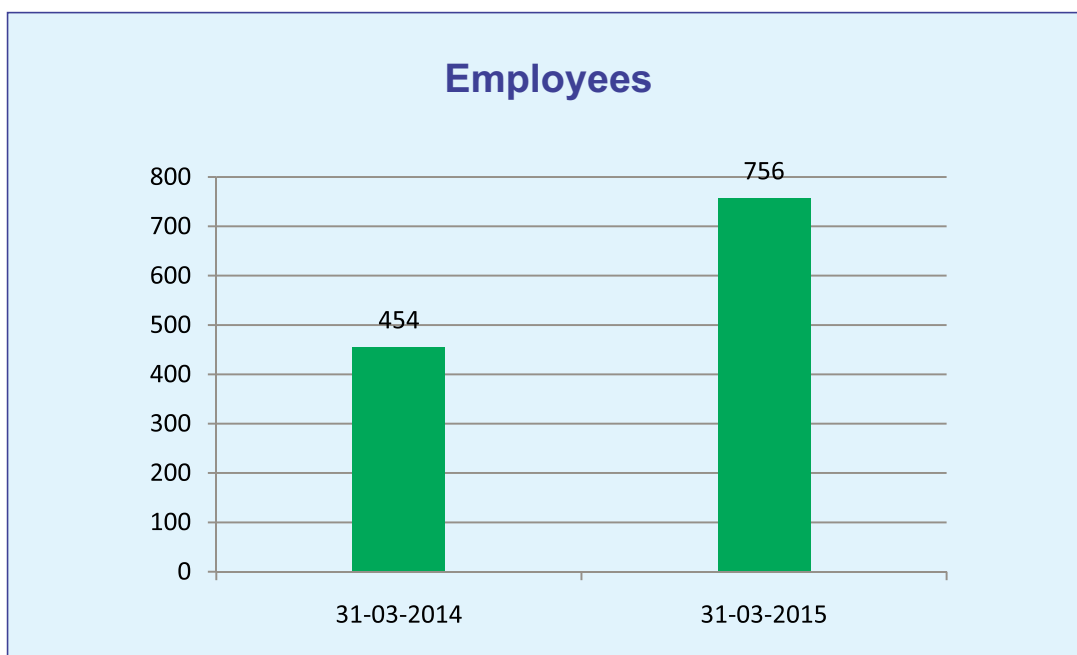
NUMBER OF EMPLOYEES

31-03-2014

454

31-03-2015

756



Financial Highlights

KEY FIGURES

(IN LACS ₹)

	2014-15	2013-14	2012-13	2011-12	2010-11
Net Sales	9,432.35	9,287.39	8,885.50	10,559.91	11,727.71
Other Income *	210.80	1,989.55	151.20	532.24	67.75
Material Costs	3,836.47	5,359.31	6,261.32	8,308.35	9,486.88
Energy Cost	703.32	530.79	264.62	143.28	116.15
Employee Cost	1,205.54	928.21	880.66	673.35	586.62
Other Mfg.Admin.& Selling Expenses	1,680.71	1,357.58	952.32	891.12	1,097.07
EBITDA	2,217.11	3,101.05	677.78	1,076.05	508.74
Interest & Finance Costs	583.24	397.01	309.76	212.87	221.76
EBDT	1,633.87	2,704.04	368.02	863.18	286.98
Depreciation	661.49	368.91	222.37	120.36	113.79
PBT	972.38	2,335.13	145.65	742.82	173.19
Tax Expense	270.69	159.05	(13.24)	121.17	107.64
PAT	701.69	2,176.08	158.89	621.65	65.55
Share Capital	856.48	856.48	853.84	853.70	853.70
Reserves	6,123.10	5,635.62	3,526.13	3,366.56	2,882.63
Deferred Tax Liability	361.75	399.88	267.33	199.52	244.71
Loan Funds#	6,037.41	4,120.72	3,280.55	1,696.49	1,350.91
Gross Block (Including CWIP)	8,063.65	6,776.02	5,502.42	3,486.23	2,894.15
Net Block (Including CWIP)	6,560.48	5,699.90	4,754.29	2,821.59	2,304.56
Investments	2,324.23	1,830.02	595.96	595.96	868.04
Current Assets	5,123.55	4,059.65	3,339.07	2,957.02	2,415.85
Current Liabilities##	2,074.86	1,906.36	1,152.38	689.01	674.00
Net Current Assets	3,048.69	2,153.29	2,186.69	2,268.01	1,741.85
Net Worth	6979.57	6492.09	4379.97	4220.26	3736.34
Capital Employed	13,378.73	11,012.69	7,927.85	6,116.27	5,331.96
EPS Rs.**	8.19	25.49	1.87	7.28	0.77
Book Value Rs.	81.49	75.80	51.30	49.43	43.77
Dividend (Rs. Per share)	2.00	1.00	-	-	-
RONW (%)	10.42%	40.03%	3.70%	15.63%	1.77%
ROCE (%)	12.76%	28.85%	6.49%	16.70%	7.49%

* other Income include Extra Ordinary Income during 2013-14 Rs. 1917.05 lacs and during 2011-12 Rs. 473.77 lacs

Including current maturities of loans

excluding current maturities of loans

** Face Value of Rs. 10/-per share

CHAIRMAN'S MESSAGE



Dear Shareholders,

It gives me immense pleasure in welcoming you all to the 28th Annual General Meeting of the Company.

The global economy continued to expand only at a moderate pace of 2.6 per cent in CY 2014. Global Trade growth has been sluggish in the past few years, mainly due to the slow and uneven economic recovery in major developed countries and the moderate growth in developing countries. Led by the sharp decline in crude oil international prices, all commodities have seen a major downward correction in the past one year. Considering that we produce rubber and steel products, this has impact on our business too.

However, the good news is that the Indian economy is in recovery mode. GDP in the year 2014-15 is at Rs. 106.44 lakh crore, showing a growth rate of 7.3%. India surpassed China's growth rate and the GDP numbers continue to be encouraging. The data shows signs of acceleration and improvement both in manufacturing as well as services sector. I remain optimistic that India will outpace its peer group countries and continue to show robust growth in the near future.

The Company's primary activity is to process 'end of life' tyres and manufacturing of value added products from the crumb rubber recovered. India's natural rubber production plummeted to a 12 year low in 2014-15, when the prices of the commodity also paradoxically sank to the lowest in about five years. With the global rubber prices remaining below the domestic prices for most part of the year, imports of natural rubber have risen to a new high. Rubber output in India during the year was 655,000 tonnes, down 15% compared to that in 2013-14, while

consumption increased by about 4%. Rubber imports into the Country at 414,606 tonnes, an all-time-high, were up 15% compared to that in the previous year. Your Company is a leading manufacturer of crumb rubber (CR) Powder which acts as a substitute to natural rubber, I am pleased to inform that in spite of record low prices of natural rubber, your Company has seen a steady growth in sales of crumb rubber and achieved record Profit before tax and extra ordinary items of Rs. 972.38 lacs as compared to Rs. 418.08 lacs in the previous Financial Year showing a remarkable growth of 132.54 %. Our focus has not only been on processing of rubber and production of rubber products, but also on research and development. Our research in Crumb Rubber Modifier in 1990's resulted in successfully starting of manufacturing of Crumb Rubber Modifier (CRM) in year 2001. As a part of backward integration, the company has set up four plants in year 2012 to make Crumb Rubber Powder from Scrap tyres. In the year 2013, the Company established wire processing plant to make value added quality Hi Carbon Steel Shots from the scrap wire segregated from the old used tyres. These are extensively used in foundries, casting industry and by the pre fab manufacturing industry. The most notable accomplishment during the Financial Year 2014-15 has been our ability to successfully diversify the Company's revenue verticals and as a result, reducing the Company's dependency on the road and infrastructure sector. During the Financial Year 2014-15 the Company generated 42 % revenue from sales of products other than bitumen modifier (road related products) as compared to 21 % in last year and nil in Financial Year 2011-12. This was achieved by extensive research and development and qualitative improvements to crumb rubber and commencement of manufacturing of Hi carbon steel shots.

The Company won contract for supply of 22000 Mt crumb rubber modifier from Indian Oil Corporation Ltd. Company has also won contract for supply of 8000 Mt crumb rubber from Hindustan Colas Limited. We are seeing renewed focus of our Government to accelerate spending in road building and infrastructure, which will result in higher sales of CRM in the coming years. I would like to assure you that your Company is fully ready and capable to capitalize on this opportunity.

As a part of forward integration the Company has already started its state of the art 3rd generation plant to make ultrafine Crumb Rubber Compound (Reclaim Rubber) from Crumb Rubber which will enable the Company to achieve further value addition. We have also ordered two additional lines for tyre rubber reclaim to manufacture Ultrafine Rubber Compound, which shall be commissioned during the Financial Year 2015-16 to manufacture Ultrafine Rubber Compound. The Company has a keen interest and is actively exploring the overseas market for export of crumb rubber and reclaim of crumb rubber. Hopefully, the full impact of addition of Reclaim Rubber compound to our portfolio of products would be visible in Financial Year 2016-17. Company also achieved landmark of processing over 30,000 tons of "end of life" tyres during the Financial Year 2014-15, thereby turning waste in wealth and helping the environment at the same time.

Additionally, I am delighted to inform you that we have been successful in our operations and our hard work has been recognized and very much appreciated. We have received approval as vendors for leading Tyre Manufacturing Companies namely CEAT, APPOLO Tyre, JK Tyre amongst others. Approval from other leading Tyre manufacturing Companies is in process.

The coming period will be challenging and at the same time bring new opportunities for us. Over the last 2-3 years, we have made substantive investments to mitigate risks associated with our business and have laid the foundation for solid growth. The Company has articulated its ambition in its mission statement which I would like to share with you as follows:

Our Mission: "To become the largest fully integrated waste tyre recycling company in India and amongst the top 5 in the World by 2020."

I would like to take the opportunity to thank the concerned departments of the Central and State Governments for their consistent support. I also thank all of our shareholders, bankers, customers, suppliers, partners and employees for their continuous support, trust, encouragement, engagement and deep commitment.

Thanks and best wishes to all of you.

CHAIRMAN

Place: New Delhi

Date: 12th August, 2015

CORPORATE INFORMATION

BOARD OF DIRECTORS :

Mr. Bhupinder Kumar Sekhri	Managing Director
Mr. Kapil Sekhri*	Whole Time Director
Mrs Shobha Sekhri#	Whole Time Director
Mr. Anand Kumar Singh	Director
Mr. Rahul Garg*	Director
Mr. Maneesh Mansingka*	Director
Mr. Vivek Kohli	Director
Mr. Kulbir Singh*	Director
Mr. Ashish Madan#	Director
Mr. Ashok Kumar Sood#	Director

* Mr. Maneesh Mansingka and Mr. Kapil Sekhri resigned w.e.f. 29th May, 2014, Mr. Rahul Garg resigned w.e.f. 29th September, 2014 and Mr. Kulbir Singh resigned w.e.f. 18th December, 2014.

Mr. Ashish Madan appointed w.e.f. 29th May, 2014, Mr. Ashok Kumar Sood appointed w.e.f. 29th September, 2014 and Mrs Shobha Sekhri appointed w.e.f. 18th December, 2014.

CORPORATE IDENTITY NUMBER :

L51909DL1987PLC027186

REGISTERED OFFICE :

Tinna House, No. 6, Sultanpur,
Mandi Road, Mehrauli,
New Delhi - 110030

STATUTORY AUDITORS :

M/s V.R. Bansal & Associates
Chartered Accountants, New Delhi

BANKERS :

Syndicate Bank
Vasant Vihar, New Delhi.

CHIEF FINANCIAL OFFICER:

Mr. Ravindra Chhabra

COMPANY SECRETARY & COMPLIANCE OFFICER:

Mr. Y.P. Bansal*

REGISTRAR & SHARE TRANSFER AGENT :

M/s. Alankit Assignments Limited
Alankit Heights, 1E/13, Jhandewalan
Extension, New Delhi – 110055

E-MAIL & WEBSITE

tinna.delhi@tinna.in, www.tinna.in
* Appointed w.e.f. 16th April, 2015.

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NOTICE

Notice is hereby given that the Twenty Eighth Annual General Meeting of the Members of Tinna Rubber and Infrastructure Ltd. (CIN: L51909DL1987PLC027186) will be held on **Wednesday, the 30th September, 2015 at 9.00 a.m. at 18th South Drive Way, DLF Farms, Chhattarpur, New Delhi – 110074** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the Financial Year ended 31st March, 2015 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on the Equity Shares of the Company for the Financial Year 2014-15.
3. To appoint a Director in place of Mr. Anand Kumar Singh (DIN 00092354), who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of the Auditors of the Company and their remuneration fixed at the Twenty Seventh Annual General Meeting of the Company held on 29th September, 2014 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the appointment of M/s. V. R. Bansal & Associates, Chartered Accountants (ICAI Registration No. 016534N), as the auditors of the Company to hold office from the conclusion of the Twenty Seventh Annual General Meeting until the conclusion of the Twenty Ninth Annual General Meeting of the Company, on such remuneration as may be decided by the Board of Directors of the Company, made at the Twenty Seventh Annual General Meeting of the Company held on 29th September, 2014, be and is hereby ratified for the Financial Year 2015-16.”

SPECIAL BUSINESS:

5. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of

Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs.65,000/- (Rupees Sixty Five Thousand only) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses, to be paid to M/s. Pant S. & Associates (ICWAI Registration No. 101402), Cost Auditors of the Company, for the Financial Year 2015-16, as approved by the Board of Directors of the Company, be and is hereby ratified.”

6. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT Mrs. Shobha Sekhri (DIN 00090813), who was appointed as an Additional Director (designated as Whole Time Director) under Section 161 of the Companies Act, 2013 by the Board of Directors of the Company and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member proposing her candidature for the office of Director under Section 160 of the Companies Act, 2013 be and is hereby appointed as Director of the Company liable to retire by rotation.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and as recommended and approved by the Nomination and Remuneration Committee and approved by the Board of Directors, approval of the members of the Company be and is hereby accorded to the appointment of Mrs. Shobha Sekhri (DIN 00090813), as Whole Time Director of the Company with effect from 18th December, 2014 for a period of 3 years liable to retire by rotation as well as the payment of salary and perquisites (hereinafter referred to as “remuneration”).”

“RESOLVED FURTHER THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Shobha Sekhri shall be given/ entitled to remuneration

with effect from 18th December, 2014 of Rs. 84,00,000/- (Rupees Eighty Four Lacs only) per annum or such other amount as permissible in terms of Part-II of Section II of Schedule- V of the Companies Act, 2013 in case of inadequate profit or no profit during her tenure.”

“RESOLVED FURTHER THAT in case of sufficient profits, she shall be entitled to remuneration of 5% of net profits of the company calculated in terms of the provisions of Section 197 and other applicable provisions of the Companies Act, 2013.”

“RESOLVED FURTHER THAT Mrs. Shobha Sekhri, Whole Time Director may be paid remuneration either by way of a specified remuneration or in lump sum at year end or partly by one way and partly by the other.”

“RESOLVED FURTHER THAT Mrs. Shobha Sekhri, Whole-time Director will also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by her in connection with the Company's business and such other benefits/amenities and other privileges, as may be available to any other Senior Executives of the Company.”

“RESOLVED FURTHER THAT any perquisites may be paid to Mrs. Shobha Sekhri subject to limit on the remuneration as specified in Section 196, 197 and Schedule V to the Companies Act, 2013.”

“RESOLVED FURTHER THAT the terms and conditions of the appointment/ remuneration may be altered and varied so as not to exceed the limits specified herein above or in terms of Schedule V of the Companies Act, 2013 or any amendments thereto and as may be agreed to between the Board of Directors and Mrs. Shobha Sekhri.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director or Committee of Directors to give effect to the aforesaid resolution.”

7. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other

applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Ashok Kumar Sood (DIN 05120752) who was appointed as an Additional Director of the Company pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office upto 28th September, 2019.”

**By Order of the Board of Directors
For Tinna Rubber And Infrastructure Ltd.**

**Place: New Delhi
Date : 12th August, 2015**

**Y.P. Bansal
Company Secretary
Membership No. 17493
Office Address:
Tinna House, No. 6,
Sultanpur, Mandi Road
Mehrauli,
New Delhi-110030**